



October 14, 2011

Congressman Geoff Davis
1119 Longworth House Office Building
Washington, D.C. 20515

Dear Congressman Davis:

On behalf of the American Foundry Society (AFS), the major trade and technical association for the metalcasting industry, thank you for introducing the ***Regulations from the Executive In Need of Scrutiny (REINS) Act*** (H.R. 10).

As the Executive Branch and its agencies continue to promulgate complex, costly and burdensome regulations, the REINS Act would ensure that Congress is held accountable for the impact that finalized rules have on the business community and the American consumer. Specifically, the REINS Act would require Congress to pass a joint resolution of approval before any new major rule (defined as having an impact of \$100 million or more) takes effect.

The metalcasting industry continues to find regulatory roadblocks ahead, in the form of hundreds of new regulations from the U.S. Environmental Protection Agency (EPA), Department of Health and Human Services, and Department of Labor. The regulations proposed by EPA would raise energy prices for all Americans and likely stall recovery, since U.S. manufacturers rely on one-third of the nation's energy supply. Furthermore, the regulations essentially will create production limits for manufacturers.

AFS members understand the value of standards and regulations when they are based on solid science, with appropriate consideration paid to implementation costs and input from the business community. However, some of the pending regulations impose crippling costs with questionable benefits. For the metalcasting industry, unjustified and unnecessary regulations translate to higher costs, which eventually are passed along to the consumer. Ultimately, these costs impact a manufacturer's ability to hire and expand.

AFS has more than 7,000 members representing over 3,000 metalcasting firms, their suppliers and customers. The U.S. metalcasting industry provides employment for over 200,000 men and women directly and supports thousands of other jobs indirectly. Metal castings are the foundation for all other manufacturing. Every sector relies on castings; 90 percent of all manufactured goods and capital equipment incorporate engineered castings into their makeup. The major industries supplied by metalcasting include agriculture, construction, mining, railroad, automotive, aerospace, communications, health care, defense and national security. The industry supports a payroll of more than \$8 billion and sales of more than \$36 billion annually.

Federal rulemakings often carry substantial financial and non-monetary compliance costs that impede a manufacturers' ability to compete. In fact, research from a 2010 study by the U.S. Small Business Administration's Office of Advocacy found manufacturers pay over \$12,000 per employee annually to comply with federal regulations. In addition, today, it is 20 percent more expensive to manufacture in the United States than it is in other major industrial nations.

Federal agencies must be held accountable for full compliance with existing rulemaking statutes and requirements when promulgating regulations in order to ensure they are necessary and cost effective for businesses to implement. Once again, thank you for introducing REINS Act.

Sincerely,

A handwritten signature in black ink, appearing to read "Jerry Call". The signature is fluid and cursive, with the first name "Jerry" and last name "Call" clearly distinguishable.

Jerry Call
Executive Vice President
American Foundry Society